

S-E-C-R-E-T

20 November 1951

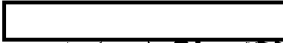
MEMORANDUM FOR: Colonel Hansen

SUBJECT: Training Section of Director's Report

1. See our marginal comments on the attached paper.

2. As to whether it should appear as a separate Annex or as an appendix to Annex 1, I suggest that the decision should depend on the meaning of the word "Administration" as you wish to use it. If you treat in Annex 1 the over-all "administration" or command structure of the Agency (including the DCI, the DD's and AD's) as well as the more strictly "administrative" support functions performed under the direction of DD/A, then I think Training belongs with Annex 1. This has no relation to the organizational position of the Training Office but recognizes that substantively a training program is part of the proper "administration" of the Agency. It is a supporting activity which assists the rest of the Agency to improve the performance of its various functions; it is not itself an end-product.

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Assistant Director
Intelligence Coordination

S-E-C-R-E-T

MORI/CDF Pages 1 and 4-19

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SECTION III

Part 4.

The Role and Responsibility of CIA in the Processing of Intelligence for the National Intelligence System.

The processing, or intelligence producing organs of CIA are the Office of Current Intelligence, the Office of Research and Reports, and the Office of Scientific Intelligence. Closely related activities are those of the Office of Collection and Dissemination and the Office of National Estimates. The former acts for the producers as collector, custodian and distributor of all collateral intelligence. The latter bases its long-range conclusions on their combined effort.

These offices share in many problems which do not confront other elements of CIA and are, therefore, rightly grouped together in any report on progress.

Probably the major problem faced by the producers is their lack of access to operational intelligence and their lack of control over what is classed as operational. Tied in with this problem is the fact that the great bulk of collateral intelligence is gathered by unrelated organizations without any central guidance over their operations, and that their activities are governed not by the needs of national intelligence but those of their various parent services. The CIA gets the incidental by-product. No requirement system, however efficient — and the functioning of the present system leaves much to be desired — could ever compensate for the absence of a coordinated intelligence-gathering program.

Another common problem is the proper handling and exploitation of Special Intelligence. This is done in a common "center" which includes all of OCI and the major portions of ORR and OSI. From a very small

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beginning, this center has consistently expanded, and it seems highly probable that the expansion will continue, putting more and more intelligence-producing activities of CIA on an all-source basis.

The OCD receives, distributes to the producers, and files all items of collateral intelligence. The OCI, which is both a collector and a producer, receives all Special Intelligence, or Comint, and on the basis of this and collateral, issues a day-to-day intelligence product. The ORR, OSI and QNE depend on the other two offices for their basic material.

Part Four of Section Three will deal, in that order, with the genesis, development, operation and problems of the Offices of Collection and Dissemination, Current Intelligence, Research and Reports, Scientific Intelligence and National Estimates.

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A DISCUSSION OF THE
FUNCTIONS AND RESPONSIBILITIES OF THE
CENTRAL INTELLIGENCE AGENCY

I.

The Intelligence Problem in the United States

Although the Central Intelligence Agency is largely an outgrowth of our experience in World War II, it would be wrong to proceed from the premise that prior to the war our Government operated without intelligence as to the capabilities and intentions of possible enemies or prospective allies. The Department of State had long maintained a widespread information gathering service. The Army, the Navy, and certain other Departments of the Government had maintained their own systems of collecting information and producing intelligence.

However, we had no integrated system of intelligence. We had not adequately exploited the available sources of intelligence. We had no central agency to coordinate intelligence collection and production and to assemble the best available intelligence for expression in national estimates to guide in the formulation of foreign policy and the preparation of defense plans.

In World Wars I and II our European allies, Great Britain in particular, had placed the product of their intelligence services largely at our disposal. While we can still expect assistance from the intelligence services of friends and allies, we have rightly concluded

that we should not depend on them for our intelligence to the extent we were forced to do in World War I and during the early days of World War II.

It was World War II which showed both our deficiencies in intelligence and also what we could accomplish under pressure. Through the expansion of the facilities of the State Department and the military services, through the Office of Strategic Services -- our first move toward the Central Intelligence Agency -- through enlisting the best personnel that could be found, in and out of government service, we were turning out a very creditable performance in many phases of intelligence work well before the end of the war.

We now recognize that if we are to have adequate intelligence in times of crisis, we must prepare in time of peace, and we have seriously turned to the task of building up a central intelligence organization. The country has now accepted the verdict, even if somewhat reluctantly, that peacetime intelligence is essential to security and, as many of our military leaders have said, our first line of defense. It took us a long time to reach this conclusion, and we are only now gradually getting over our suspicions of intelligence and our tendency to confuse it with mere intrigue and the more lurid side of espionage. We are beginning to accept it as serious and honorable work and essential to our defense.

It is well to recognize, however, that an efficient intelligence organization cannot be built overnight.

It will require years of patient work to provide skilled personnel to do the job: Blueprints and organization charts, even legislation and ample appropriations, will not take the place of competent and highly trained men and women. Without them we shall have neither effective intelligence operations nor sound intelligence estimates. Unfortunately, in the difficult organizational period since the war, the future of intelligence as a career has seemed so uncertain that many war-trained and competent men have left the service and it has been particularly difficult to find recruits to take their places.

Finally, security for our intelligence activities is not easy to achieve in the United States. It is not only the penetration of fifth columnists which we have to guard against. We have the general problem rising out of our tradition that all of the affairs of the Government should be conducted in the open. Sometimes we tend to carry this over even as regards the publication of the intimate details of intelligence operations. In peacetime particularly, it is not always easy to reconcile our vital interest in protecting the freedom of the press with the need for silence on certain phases of intelligence.

II.

National Intelligence and the National Security Act of 1947

In a series of discussions, beginning as early as 1944, among the interested government agencies as to how the country could most effectively organize its permanent long-range intelligence, there was pretty general

agreement on some form of a central agency. There was, however, a sharp divergence of views as to the scope of the activities of such an agency, the authority it should enjoy, the manner in which it should be administered and controlled and where in the government it should be located. These issues were resolved at that time through the creation by Presidential Letter of the Central Intelligence Group on 22 January 1946, and then more definitely determined through the establishment of the Central Intelligence Agency by Congress in Section 102 of the National Security Act of 1947.

THE DUTIES OF THE CENTRAL INTELLIGENCE AGENCY UNDER THE NATIONAL SECURITY
ACT

Section 102 (d) of this Act defines the duties of the Central Intelligence Agency as follows:-

"(d) For the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, it shall be the duty of the Agency, under the direction of the National Security Council --

"(1) to advise the National Security Council in matters concerning such intelligence activities of the Government departments and agencies as relate to national security;

"(2) to make recommendations to the National Security Council for the coordination of such intelligence activities of the departments and agencies of the Government as relate to the national security;

"(3) to correlate and evaluate intelligence relating to the national security, and provide for the appropriate dissemination of such intelligence within the Government using where appropriate existing agencies and facilities: Provided, That the Agency shall have no police, subpoena, law-enforcement powers, or internal-security functions: Provided further, That the departments and other agencies of the Government shall continue to

collect, evaluate, correlate, and disseminate departmental intelligence: And provided further, That the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure;

"(4) to perform, for the benefit of the existing intelligence agencies, such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally;

"(5) to perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct."

In these provisions the authors of the National Security Act showed a sound understanding of our basic intelligence needs by assigning to the Central Intelligence Agency three broad duties which had never before been adequately covered in our national intelligence structure. These duties are: (1) to advise the National Security Council regarding the intelligence activities of the government and make recommendations for their coordination; (2) to provide for the central correlation, evaluation, and dissemination of intelligence relating to the national security; and (3) to assure the performance, centrally, subject to National Security Council direction, of certain intelligence and related functions of common concern to various departments of the Government.

The powers given to the National Security Council and the Central Intelligence Agency under Section 102 of the Act establish the framework for a sound intelligence service for this country. It is of vital importance that effect be given to the real legislative intent through the continuing exercise by the Central Intelligence Agency of the functions assigned to it by the Act. The functions of most importance relate to

the responsibility of the Central Intelligence Agency for the coordination of intelligence activities and the coordination of intelligence opinion in the form of national intelligence estimates.

When the National Security Act was being drafted, doubts were expressed whether the Central Intelligence Agency is properly placed in our governmental structure under the National Security Council. There was some concern whether a committee such as the National Security Council would be able to give effective direction to the Agency. It was argued that the National Security Council was too large a body, would be preoccupied with high policy matters, and would meet too infrequently to be able to give sufficient attention to the proper functioning of the Central Intelligence Agency.

There is force to the criticism that a committee, no matter how august, is rarely an effective body for the direction of another agency. It is true that the National Security Council cannot directly control or run the Central Intelligence Agency and should not attempt to do so, except to the extent of assuring itself of compliance with its directives. However, the Council, whose membership comprises the highest authorities in the departments most directly concerned with the products of all the intelligence agencies, can render effective service in determining the nature and scope of the Central Intelligence Agency within the framework of the National Security Act.

The Central Intelligence Agency must perform special studies of common concern to these departments as directed by the National Security Council, must recommend steps toward the coordination of the intelligence activities of these departments as prescribed by Congress and coordinate the expression of intelligence opinion in the form of national estimates prescribed also by Congress^{1/} or fail in its mission.

The Central Intelligence Agency is not merely another intelligence agency to duplicate and rival the existing agencies of State, Army, Navy and Air Force. It was not designed as a competitor of these agencies but as a contributor to them and as a coordinator of their intelligence activities and of the expression of a national intelligence opinion. It must make maximum use of the resources of existing agencies; it must not duplicate their work but help to put an end to existing duplication by seeing to it that the best qualified agency in each phase of the intelligence field should assume and carry out its particular responsibility.

The job of the Director of Central Intelligence, unique in the history of intelligence organization, is hard to describe clearly. In a far-fetched comparison, it might be said in many respects to constitute the intelligence opposite number of the Secretary of Defense. Of course,

^{1/} Congress actually used the words "evaluate intelligence relating to the national security."

an essential difference, among others, is that the Director of Central Intelligence does not and should not participate in the determination of policy.

III.

The Responsibility of the Central Intelligence Agency for the Coordination of Intelligence Activities

The coordination of the intelligence activities of the several departments and agencies concerned with national security was a primary reason for establishing the Central Intelligence Agency. This is clear from the early discussions concerning the creation of a central agency and from the language of Section 102 of the National Security Act.

To achieve this purpose, the Central Intelligence Agency was assigned the duty of advising the National Security Council in matters concerning such intelligence activities as relate to the national security and of making recommendations to the National Security Council for their coordination. The Act does not give the Central Intelligence Agency independent authority to coordinate intelligence activities. Final responsibility to establish policies is vested in the National Security Council.

This duty of advising the National Security Council, together with the two other principal duties of correlating national intelligence and performing common services as determined by the National Security Council,

all serve the general purpose of coordination. In fact, these duties of the Central Intelligence Agency, although distinct in themselves, are necessarily inter-related and the performance of one function may involve another.

For example, in performing its duty of advising on the coordination of intelligence activities, the Central Intelligence Agency may recommend to the National Security Council the means to be employed in the assembly of reports and estimates requisite for the performance by the Agency of its second duty, the correlation of national intelligence. As another example, the Central Intelligence Agency may recommend, in accordance with its duty to make recommendations for the coordination of intelligence activities, that a particular intelligence function be performed henceforth by the Agency itself under its third duty of providing services of common concern more efficiently accomplished centrally.

The statutory limitations upon the authority of the Central Intelligence Agency to coordinate intelligence activities without the approval of the National Security Council were obviously designed to protect the autonomy and internal arrangements of the various departments and agencies performing intelligence functions. The Secretaries of Departments who are members of the National Security Council are in a position to review recommendations of the Central Intelligence Agency concerning their own departments, and other departmental heads would doubtless be invited to attend meetings of the National Security Council when matters pertaining

to their activities are under consideration. In spite of these calculated limitations on the authority of the Central Intelligence Agency, it is clear that the Agency was expected to provide the initiative and leadership in developing a coordinated intelligence system.

The National Security Act does not define the "intelligence activities" which are to be coordinated under the direction of the National Security Council, or specify the departments whose activities are covered. Presumably all intelligence activities relating to the national security are included, from collecting information in the first instance to the preparation and dissemination of finished intelligence reports and estimates. The criterion, a very broad one, is "such intelligence activities.....as relate to the national security" and not the identity of the departments concerned or the nature or locale of the intelligence activity. Thus, practically no limitations are set upon the scope of the intelligence activities with which the Central Intelligence Agency is to concern itself, except the statutory provisions on internal security functions and provisions protecting the independence of the departments with respect to so-called departmental intelligence.

IV.

The Responsibility of the Central Intelligence Agency for National Intelligence Estimates

One of the principal duties assigned to the Central Intelligence Agency "for the purpose of coordinating the intelligence activities of

the several Government departments and agencies in the interest of national security" is "to correlate and evaluate intelligence relating to the national security, and provide for its appropriate dissemination." The Central Intelligence Agency is thus given the responsibility of seeing to it that the United States has adequate central machinery for the examination and interpretation of intelligence so that the national security will not be jeopardized by failure to coordinate the best intelligence opinion in the country, based on all available information.

Although the Act provides that "the departments and other agencies of the Government shall continue to collect, evaluate, correlate, and disseminate departmental intelligence," the statute does not limit the duties of the Central Intelligence Agency to correlate and evaluate intelligence, except by the standard of "national security."

The purport of the National Security Act can be understood and justified in the light of the history and general objectives of the Act. Behind the concept of a Central Intelligence Agency lay the necessity not only for the coordination of a diversified intelligence activities, and for the performance by the central agency itself of certain services of common usefulness, but also for the coordination of intelligence opinion in the form of reports or estimates affecting generally the national security as a whole.

The Act apparently gives the Central Intelligence Agency the independent right of producing national intelligence. As a practical matter, such estimates can be written only with the collaboration of experts in many fields of intelligence and with the cooperation of several departments and agencies of the Government. A national intelligence report or estimate as assembled and produced by the Central Intelligence Agency should reflect the coordination of the best intelligence opinion, based on all available information. It should deal with topics of wide scope relevant to the determination of basic policy, such as the assessment of a country's war potential, its preparedness for war, its strategic capabilities and intentions, its vulnerability to various forms of direct attack or indirect pressures. An intelligence estimate of such scope would go beyond the competence of any single department or agency of the Government. A major objective, then, in establishing the Central Intelligence Agency was to provide the administrative machinery for the coordination of intelligence opinion, for its assembly and review, objectively and impartially, and for its expression in the form of estimates of national scope and importance.

The concept of national intelligence estimates underlying the statute is that of an authoritative interpretation and appraisal that will serve as a firm guide to policy-makers and planners. A national intelligence estimate should reflect the coordination of the best intelligence opinion, with notation of and reasons for dissent in the instances when there is not unanimity. It should be based on all

available information and be prepared with full knowledge of our own plans and in the light of our own policy requirements. The estimate should be compiled and assembled centrally by an agency whose objectivity and disinterestedness are not open to question. Its ultimate approval should rest upon the collective responsibility of the highest officials in the various intelligence agencies. Finally, it should command recognition and respect throughout the Government as the best available and presumably the most authoritative intelligence estimate.

Although the task is made more difficult by a lack of general acceptance of the concept of national intelligence estimates in the Government, it is, nevertheless, the clear duty of the Central Intelligence Agency under the statute to assemble and produce such coordinated and authoritative estimates.

V.

Services of Common Concern - Intelligence Research and Reports

This is the function prescribed by Section 102 (d) of the National Security Act of 1947 in the following language "to perform, for the benefit of the existing intelligence agencies, such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally."

Generally speaking, this function would involve responsibility for authoritative research and reports in economic, scientific and technological

intelligence, the maintenance of central reference facilities, and such other matters as are deemed of common concern by the National Security Council. To the extent necessary, the Central Intelligence Agency will also coordinate the activities of the other agencies in these fields. The staff working in the Central Intelligence Agency on such matters of common concern should include in appropriate cases adequate representation from the State Department and the military services so that, subject to policy guidance from the principal consumers, its products will reflect the work of the best available talent and be responsive to the requirements of the consumer agencies.

VI.

Limitation on what can be Expected of the Central Intelligence Agency or of the American Intelligence System as a Whole.

In concluding, any discussion of intelligence in general and the responsibility of the Central Intelligence Agency in the production and coordination of national estimates in particular would be inadequate without some caveats.

Seldom if ever will the collecting machinery of any intelligence system produce all or anywhere near all the raw information required, after evaluation, collation in the appropriate intelligence agency and general interpretation, for the final production of a completely reliable intelligence estimate. Pieces of the intelligence puzzle will always be

missing and informed guesses or logical deductions at best will be needed to complete the picture of enemy capabilities and intentions.

Even the available pieces of the puzzle are not invariably given to intelligence personnel. All information, whether it originates from intelligence sources or whether it comes from other sources including our own operations and plans, must be made available to the intelligence people who by putting together and studying all of the bits of information must provide the overall interpretation. There is always a dangerous tendency, particularly in time of crisis, when it can be most serious, for vital information to be withheld on the grounds that the intelligence personnel should not see it because it concerns operations or for alleged security reasons. In other instances, the dissemination of vital but sensitive material may be restricted to a very few people at the top levels with the result that those individuals who are most competent to analyze a particular situation are left out of the picture entirely. It is therefore necessary that intelligence estimates be made in full light of our own policies and operations.

There is also a tendency to prejudice on the part of intelligence personnel expressed in the form of stubborn adherence to preconceived ideas. Estimates are subject to the risk of being colored and twisted to reflect the prejudices of those preparing them.

Finally, there is danger of prejudice on the part of policy-makers which may render them blind even to brilliant achievements of an

intelligence service. They may just refuse to listen to what they do not like. Hence, nothing would be more dangerous than to believe that an efficient intelligence system with coordination of activities and support effected through a central intelligence agency would make this country immune to a disaster like Pearl Harbor.

This does not lead to the conclusion that intelligence is futile. It merely shows its limitations. If the intelligence appraiser can keep from twisting and coloring the data he receives and if the policy-maker can keep an open mind and be prepared for continual re-evaluation of the assumptions on which he is relying, then sound intelligence estimates can be a pillar of strength for our national security.

TRANSMITTAL SLIP		
11/20/51 (DATE)		
TO: <i>Mr. James R. Kiber</i>		
BUILDING <i>Vm</i>	ROOM NO. <i>2007</i>	
REMARKS: Attached is the unclassified brief prepared by Mr. on the role and mission of CIA. You may recall that it was referred to during the A/D's meeting on November 5th as an example of what can be said about the agency and its place in the intelligence system.		
FROM: <i>C. B. Hansen</i> 		
BUILDING <i>Admin.</i>	ROOM NO. <i>220</i>	EXTENSION

FORM NO. 36-8
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TRANSMITTAL P		
11/20/51 DATE		
TO: Col. C. B. Hansen		
BUILDING	ROOM NO.	
MARKS: Herewith the OCD, OCI, ORR and OSI contributions to Section III Part 4 of the Director's progress report. Sherman Kent will pass on the ONE contribution direct. I hope one day soon to renew an acquaintance begun, if I remember rightly, in the Bradley headquarters off behind Oxford Street		
FROM: Beattie		
BUILDING	ROOM NO.	EXTENSION
2	2116	

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Let me know if there's any serving you want done.

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